

# United States Senate

WASHINGTON, DC 20510-0908

April 24, 2023

The Honorable Alan Estevez  
Under Secretary  
Bureau of Industry and Security  
U.S. Department of Commerce  
1401 Constitution Avenue NW  
Washington, D.C. 20230

Dear Under Secretary Estevez:

We write to express our concerns regarding the U.S. Department of Commerce's failure to include the Commercial Aircraft Corporation of China (COMAC) on the Military End User (MEU) List. The Chinese Communist Party (CCP)'s military-civil fusion (MCF) strategy is designed to achieve its force modernization goals by maintaining access to advanced technologies and expertise. MCF deliberately blurs the line between the People's Republic of China's state-owned enterprises (SOE), private firms, universities, and research programs with its military-industrial complex. The MCF program specifically targets dual-use technologies within a variety of sectors, including China's aerospace industry, in which COMAC plays a key role.

MCF enables the CCP to acquire industry expertise through both licit and illicit means. It enables "civilian" entities to engage in sensitive military research, development and weapons production. This means that Western companies engaging in joint research and trade may be exploited to create or support systems that benefit the People's Liberation Army (PLA). COMAC's status as a fully-owned state enterprise, as well as its close relationships with the CCP and other aerospace companies, create a vulnerability that undermines both the national and economic security of the United States. COMAC works closely with the Aviation Industry of China (AVIC), which is currently included on the MEU list.

Spun out of China's military, COMAC was initially formed by AVIC as a separate SOE in 2008. Today, AVIC still holds a minority stake (12.35 percent) in the company. Despite this minority ownership, AVIC maintains considerable influence over COMAC, which actively employs AVIC leadership, employees, technology, and facilities. COMAC is also a subsidiary of the state-owned Assets Supervision and Administration Commission (SASAC). Multiple defense SOEs operate under SASAC, including AVIC, Aero Engine Corporation of China, China Aerospace Science and Technology Corporation, and China National Nuclear Corporation among others. COMAC also works closely with Western aerospace companies, including firms that produce jet engines and many other components used in commercial and military aircraft. Given the CCP's commitment to acquire dual-use aerospace technologies through trade as well as forced joint venture and partnerships, these firms, and U.S. national security by extension, are at risk.

COMAC's key parent entities are already included on Commerce's MEU list, and the Trump Administration had included COMAC itself under its "Communist Chinese Military Companies" investment blacklist. Aviation experts have noted that COMAC's ties to the military are "common knowledge," which makes the department's reluctance to proceed with a MEU list addition all the more perplexing. Given these realities, and the CCP's continued application of state-owned enterprises to systematically access dual-use aerospace technologies, we ask the Bureau of Industry and Security to add COMAC to the MEU List.

Thank you for your attention to this matter.

Sincerely,



Marco Rubio  
U.S. Senator



Rick Scott  
U.S. Senator